

FISCAL MEMORANDUM

HB 374 – SB 907

May 16, 2007

SUMMARY OF AMENDMENT (009112): Deletes all language of the original bill. Requires the Department of Education to enforce the Individuals with Disabilities Education Act (IDEA) and Tennessee special education laws; requires all due process cases to be heard by administrative law judges employed by the Secretary of State; requires all special education mediations to be conducted by Tennessee Supreme Court Rule 31 mediators employed or contracted by the Secretary of State; requires the Administrative Office of the Courts (AOC) to provide training on special education laws to mediators; requires the Department of Education, State Board of Education and Department of Children's Services (DCS) to develop a procedure whereby names of potential employees of the Department of Education, local boards of education or LEAs shall be submitted to DCS prior to employment to determine if such employees have committed child abuse.

FISCAL IMPACT OF ORIGINAL BILL:

(CORRECTED)

Increase State Expenditures - \$1,980,000/Dept. of Education
\$77,000/AOC
\$69,000/Secretary of State

Increase Local Govt. Expenditures – Exceeds \$100,000*

Decrease Federal Expenditures - \$103,000

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures – \$37,200/DCS

Increase Federal Expenditures - \$17,200/DCS

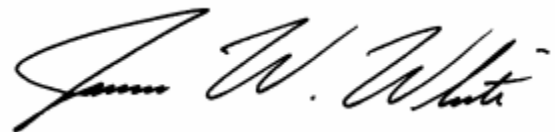
Other Fiscal Impact – Shifts approximately \$130,000 in federal grant funds in the Department of Education to the AOC (\$61,000) and to the Secretary of State's Office (\$69,000) to support the provisions of this amendment.

Assumptions applied to amendment:

- According to the Department of Education, federal IDEA grant funds could be used to reimburse the Secretary of State for conducting IDEA due process hearings and mediations and to reimburse the AOC for IDEA training for such individuals. By transferring these responsibilities to the Secretary of State and the AOC, the resulting impact would be a shift in federal IDEA grant funds from the Department of Education to the AOC (\$61,000) and to the Secretary of State (\$69,000).
- An interagency agreement would be required between the Department of Education and the Secretary of State and the AOC in order for the department to reimburse for actual documented expenditures for IDEA mediations, due process hearings and training.
- Removal of the annual monitoring requirement of LEAs by the state would eliminate the increased cost for staff within the department as well as in the LEAs.
- Removal of the requirement that AOC prepare a training manual for mediators would eliminate the increased cost of \$16,000 for preparation and publication of such manual.
- Any cost to the Department of Education or the State Board of Education to assist in the development of the procedure to check for child abusers is estimated to be not significant.
- The amendment does not require DCS registry checks on any existing education personnel currently employed or on all applicants seeking employment who are not hired.
- Only the names of individuals who are offered positions (new hires) would be required to be checked against the DCS registry.
- Currently DCS has one staff person who averages approximately 950 requests per month. The additional workload to DCS to check the names of new hires against the department's internal registry is estimated to result in an increased cost of \$54,400 for the addition of one position and benefits plus related costs. (The increase in state expenditures is estimated to be \$37,200 with an increase in federal expenditures of \$17,200.)

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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